## CONFIDENTIAL"

17 November 1954

MEMORANDUM FOR: Colonel White

SUBJECT

- : Memorandum from Assistant Director for Personnel Regarding Coverage of Agency Employees Under the New Social Security and Unemployment Compensation Legislation
- 1. The attached memorandum has just arrived from Mr. Reynolds, and covers certain of the aspects of the administrative problems involved in effecting compliance with Public Laws 761 and 767, passed in the recent Congress with regard to the extension of Social Security and Unemployment Compensation to most Federal employees. This was a matter about which you inquired this morning.
- 2. Mr. Reynolds is proposing a meeting in his office on Friday at 3:00 p.m., which will be a working group to attempt to resolve some of the problems concerned with our compliance with these laws. I understand that this meeting will be attended by the Comptroller, the Acting General Counsel, a representative from the Security Office, representatives from Mr. Reynolds' staff, and someone from this office, denomination of whom is left to you.
- 3. The problem raised by Public Law 761 (that law which extends coverage of the Social Security Program) is that it appears that it would affect our consultants and experts, temporary employees, part-time or WAE employees, and contract employees. Until the passage of this law these categories were not covered by Social Security because of the employment by contract. Employees subject to the Civil Service Retirement Act of the Military Retirement Program are excluded from Social Security coverage as in the past. Independent contractors are presumably also unaffected by the enactment of Public Law 761.
- h. The problem raised by Public Law 767 (that law providing Unemployment Compensation applicable to most Federal employees) is concerned primarily with the methods of reporting the employment of Agency personnel who might become unemployed. It is expected that information on the individuals prior place and type of employment would be distributed to State Unemployment Offices and other State agencies concerned with the administration of unemployment funds. Since both Public Laws 761 and 767 are benefits to the types of employees affected, it does not appear that it is wise or feasible for us to request that we be specifically exempted from the provisions of such legislation. The Agency has until January to come up with a solution.

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5. I do not believe that it is necessary for you to go all the way through these papers, unless you wish to do so. However, it will be necessary for you to nominate someone to attend the meeting on 19 November as your representative, assuming, of course, that you do not wish to go in person.

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